Compensation to petroleum companies

1194. SHRI YASHWANT SINHA: Will the Minister of FINANCE be pleased to state:

(a) the loss incurred or profit/revenue foregone by the public sector petroleum companies on account of the rise in petroleum crude prices and non-revision of consumer prices since 23rd May, 2004 till date;

(b) the revenue foregone by Government on this account;

(c) whether Government propose to compensate the public sector' petroleum companies for this loss; and

(d) in what manner this would affect the fiscal deficit of Government in the current fiscal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE {SHRI S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table of the House.

Raising of loans by States directly from World Bank

1195. SHRI DATTAMEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether a proposal to allow States to raise loans directly from World Bank, International Monetary Fund and other international agencies has been under consideration of Government;

(b) if so, the details thereof; and

(c) by when a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. (b) and (c) Do not arise.

Swapping of High Interest Loans of States

1196. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to swap high interest bearing loans of State Governments with low interest in order to ease the financial burden of State Governments;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government of India formulated a Debt. Swap Scheme in September, 2002 to give interest relief to the States on the 'high cost debt' owed by the States to the Central Government, bearing interest rate of 13 per cent and above amounting to Rs.1,14,000 crores as on 31.3.2002 with low coupon bearing Small Savings and Additional Open Market Borrowings. An amount of Rs. 92,384 crores of High Cost Loans have been swapped so far under the Debt Swap Scheme.

(c) Does not arise.

GDP growth rate

1197. SHRI ANAND SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the estimated GDP growth rate during the current financial year 2004-05;

(b) whether the initial surveys of RBI and Planning Commission are indicative of achieving the projected targets of economic growth; and

(c) if so, the steps taken to remove the constraints in achieving targeted growth?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Reserve Bank of India (RBI) in its Mid-Term Review of Annual Policy Statement (October 26,2004) has placed the overall Gross Domestic Product (GDP) growth in 2004-05 in the range of 6.0 to 6.5 per cent. The Tenth Five Year Plan (2002-07) envisages an average annual growth rate of 8 per cent. So far, there are no specific surveys by the RBI and the Planning Commission on the projected targets of economic growth.

The Government has taken a number of measures to improve the growth prospects of the economy. These, *inter alia,* include a comprehensive policy on credit aimed at doubling the flow of agricultural credit in three years, higher allocations under Accelerated Irrigation Benefit Programme, revival of Rural Infrastructure Development Fund, launching a scheme for repair, renovation and restoration of all water bodies, promotion of public private partnership for infrastructure development, setting up an Investment Commission and additional provision of Rs. 10,000 crore of gross budgetary support to the 2004-05 Annual Plan.